

# REX RAILWAYS

RECORDATION NO. 1 5179 Filed & Recorded

MAR 10 1987 10:30 AM

March 5, 1987 INTERSTATE COMMERCE COMMISSION

Ms. Mildred Lee  
Interstate Commerce Commission  
12th & Constitution Ave., N.W.  
Washington, D.C. 20423

Date 3/10/87  
Fee \$ 10.00  
IOC Washington, D.C.

Dear Ms. Lee:

Enclosed is our check for \$10.00 to the Interstate Commerce Commission and three copies of the Lease Agreement dated December 9, 1986 between the San Luis Central Railroad Co., Lessee, located in Monte Vista, CO. and Rex Railways, Inc., 616 Palisade Avenue, Englewood Cliffs, N.J. 07632 for 100 covered hopper cars for a lease terminating five years from now.

The Lessor and Lessee signatures are properly notarized and I would appreciate your recording same and sending us the official recordation number.

Best regards.

Most cordially yours,



Mark A. Salitan  
President

MAS:jgm  
Encl.

Interstate Commerce Commission

Washington, D.C. 20423

3/10/87

OFFICE OF THE SECRETARY

Mark A. Salitan  
President  
RexRailways, Inc.  
616 Palisade Avenue  
Englewood Cliffs, N.J. 07632  
Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/10/87 at 10:30am, and assigned recordation number(s) - 15179

Sincerely yours,

*Noreta R. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

# REX RAILWAYS

December 9, 1986

Mr. Edward Burkhardt  
San Luis Central Railroad Co.  
Box 1249  
Evanston, Illinois 60204

1 5179  
RECORDATION NO. \_\_\_\_\_ Filed & Recorded  
MAR 10 1987 10:30 AM  
INTERSTATE COMMERCE COMMISSION

Dear Ed:

Let this letter serve as an Agreement between Rex Railways, Inc. and the San Luis Central Railroad Company pertaining to 100 covered hopper cars, #SLC 3000-3024 inclusive and #SLC 5000-5074 inclusive.

Rental: Calendar years 1987, 1988 and 1989 on a one year calendar cut-off basis, the greater of either \$200. per car per month or 50% of the off-line utilization earnings.

Effective January 1, 1990 and January 1, 1991, the rental will be the greater of \$225. per car per month or 60% of off-line utilization earnings.

The SLC will have a one-way option to cancel as of December 31, 1989 and again as of December 31, 1990 by informing Rex of this intention by written notice 60 (sixty) days prior to perceived cancellation dates.

We will invoice monthly for the appropriate \$200. or \$225. SLC will provide an accounting statement and differential payment within 60 days of the initial invoice period when dollars are remitted. Example, will remit an accounting by March 31, 1987 for the period ending January 31, 1987.

Monthly rentals will be computed on an aggregate basis of the 100 cars as opposed to an individual car basis, allowing for abatement of rental as provided hereafter.

If revenues earned for a given month do not reach the \$200. or \$225. minimum requirement, an offset of the shortfall maybe taken by subtracting any excess over and above the \$200. or \$225. on previous lease payments from that month's remittance. This deduction may not exceed any monies paid over a \$200. or \$225. per car per month figure, and excesses previously paid cannot reduce the monthly running average to below \$200. or \$225. per car per month, whichever is applicable.

At the end of the calendar year, any excess received by Rex shall be considered final and may not be used as a credit toward deficiencies which may develop at any time following the end of that particular calendar year. If, as previously mentioned, the monthly accounting and remittance or deductions are on a 60 day time lag basis, the deductions or deletions may be made within the next 60 days from the completion of the calendar year, but will not have a bearing on the rentals

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December 9, 1986

for the new months which have started within the new calendar. Should the lease be terminated either by SLC's option to do so at the end of either three or four years, or by normal attrition at the end of the fifth year, an adjustment will be made by either party reflecting differentials through actual payments, as there will be no rentals to add to or deduct from.

Term: Five years commencing January 1, 1987 and ending as provided within the Rental portion of this Agreement.

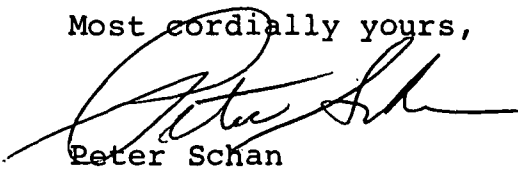
Rental Abatement: Any car reported requiring other than running repairs, i.e. serious shop time, will be eliminated from the guaranteed monthly rental for that period of time while in the shop.

All terms and conditions of all previous leases and amendments pertaining to these 100 cars shall remain in full force and effect for the five year term period of this Lease.

Ed, please sign and return three notarized copies of this Agreement so that we may file with the ICC and return a recorded copy to you.

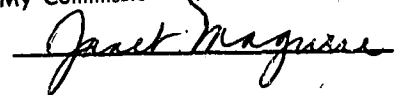
Please expedite.

Most cordially yours,


  
Peter Schan  
Vice President

PS:jgm  
Encl.

JANET MAGUIRE  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires Oct. 23, 1991



ACCEPTED AND APPROVED:

  
Edward Burkhardt

My Commission expires 8-5-89

